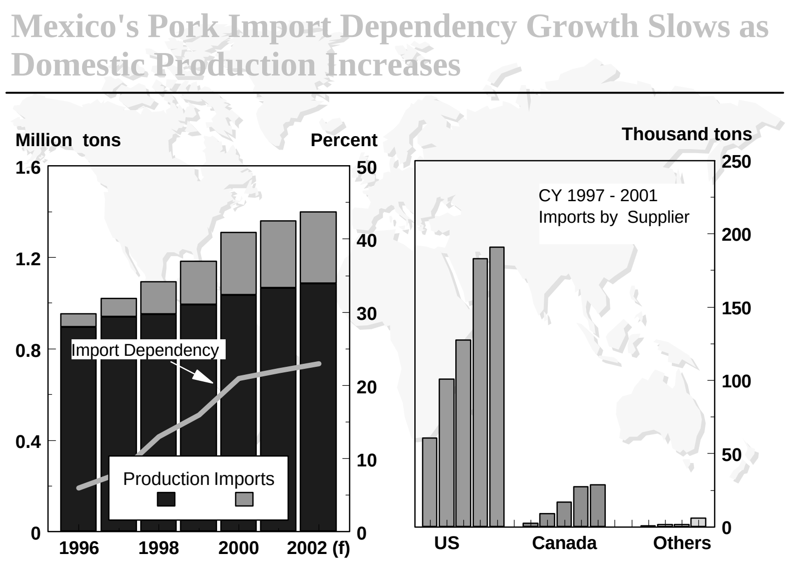
Mexico's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Swine (1,000 head)							
Total Supply*	24,703	24,777	25,465	25,862	25,754	25,799	25,839
Slaughter	12,453	12,770	13,105	13,575	13,615	13,765	13,860
Pork (1,000 tons; carcass weight equivalent)							
Production	895	940	950	994	1,035	1,065	1,085
Imports	59	82	144	190	276	294	315
Consumption	928	983	1,045	1,131	1,252	1,298	1,340
Exports	26	39	49	53	59	61	60

* Total supply = beginning inventories + pig crop + imports



Mexico’s pork production for 2002 is forecast to climb 2 percent from the previous year to a record 1.1 million tons, reflecting swine and pork production capacity expansion by large, vertically integrated companies. The continued expansion of companies with more than 500 sows more than offsets a decline in medium and small size farms. Pork imports for 2002 are forecast to expand to a record 315,000 tons, as domestic production is unable to meet consumer demand. Although many meat products are still purchased through the traditional *mercados*, or open air markets, consumers are increasingly using supermarkets and discount warehouses. These retailers are generally equipped to source pork from abroad. The United States is the dominant supplier of pork to Mexico, but Canada has recently begun to compete for increased market share. Mexico’s pork exports for 2002 are forecast at 60,000 tons, nearly unchanged from 2001, with most of the exports destined for Japan. U.S. pork exports to Mexico totaled $211 million in 2001, making it the second largest market for U.S. pork products.